



Lancaster District Tenancy Strategy



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1. Section 1 – Introduction

- 1.1 Lancaster City Council adopted its first Tenancy Strategy in January 2013. The first Strategy was formulated through collaborative working with the 14 district councils across Lancashire and Registered Provider partners to establish a broad framework which all social housing providers would operate within, allowing each Local Authority to develop their own individual tenancy strategies taking account of housing markets, housing supply and the approaches that exist within those districts. The Tenancy Strategy 2024 takes account of regulatory changes, existing practices and alignment to the new Tenancy Standard (2024) from the Regulator of Social Housing.
- 1.2 Lancaster City Council remains committed to improving the health and wellbeing of its residents and ensuring access to decent, safe and affordable homes. The city council expects all social housing providers to work together to tackle climate change both in terms of the retrofitting of existing homes and to drive up the standards of new housing supply and ensuring that housing stock across the district meets fire safety standards and with robust policies to tackle issues with damp and mould.
- 1.3 The Tenancy Strategy relates principally to the management of social housing within Lancaster district, and how it is best used to meet the diverse needs of a wide range of households. Demand for social housing has always been acute for general needs accommodation but the Covid pandemic has brought new challenges – the need to bring all rough sleepers indoors and find longer term housing solutions and housing supply during the pandemic has been very constrained across all housing tenures.
- 1.4 Tenancy Strategies were introduced to allow local authorities to make considered responses to some of the freedoms associated within the Localism Act 2011 and this Strategy will review the extent to which those freedoms should be used to address the challenges that exist and balances the needs of social housing providers in ensuring that housing accommodation is well managed and allocated to those in the greatest need and in appropriate settings whilst providing a clear and transparent housing offer to social housing tenants.
- 1.5 The Tenancy Strategy will review:-
- Rent and tenure reform
 - Homelessness
 - Allocation policies
 - Nomination arrangements
- 1.6 At the time of updating this Tenancy Strategy, the government has introduced the Renters' Rights Bill, which includes provisions for the abolition of fixed term assured tenancies, and assured shorthold tenancies. The Tenancy Strategy may require updating to reflect the legislative changes this bill is likely to bring about once enacted.

2. Section 2 – The statutory requirements

- 2.1 Tenancy Strategies became a legal requirement for local authorities to prepare and publish as part of the Localist Act 2011. The legal purpose of a Tenancy Strategy is to help to shape the tenancy policies of Registered Providers who operate in their area. In Lancaster district this would also include the city council itself as a housing stock retaining council.

- 2.2 The five main changes brought about through these reforms can be summarised as: -
- A wider range of tenancies within the social housing sector
 - The introduction of affordable rents
 - Greater discretion for local authorities to decide who can apply for inclusion on the Housing Register
 - The ability for local authorities to discharge their homelessness duty in the private rented sector
 - Allowing greater mobility within the social housing sector
- 2.3 To date, most social housing tenants have been offered a secure tenancy, which grants them a home for life. The Localism Act gives landlords more flexibility to decide what length of tenancy they offer, based on levels of housing stock and the needs of individual tenants.
- 2.4 Flexible tenancies can be granted by local authorities for a fixed term of not less than 2 years. The fixed term is usually 5 years. Registered Providers must grant general needs tenants a periodic secure or assured tenancy for a minimum fixed term of five years, or exceptionally, a tenancy for a minimum fixed term of no less than two years, in addition to any probationary tenancy period.
- 2.5 The Tenancy Strategy must set out as a minimum, the matters to which Registered Providers are to have regard to in formulating tenancy policies including: -
- The kinds of tenancies they will grant.
 - Where they grant tenancies for a fixed term, the length of those terms.
 - The circumstances under which they will grant tenancies of a particular type.
 - The circumstances under which a tenancy may or may not be reissued at the end of the fixed term, in the same property or in a different property.
- 2.6 Whilst all local authorities are required to produce a Tenancy Strategy, Registered Providers and Lancaster City Council as a stock retaining council will need a Tenancy Policy on the type of tenancies they grant. In developing a Tenancy Policy there must be due regard to tenure strategies. The requirements for the Tenancy Strategy are set out in the Localism Act, but the requirements of a Tenancy Policy are explained in the draft Directions to the Regulator of Social Housing. Lancaster City Council, therefore, requires both a Tenancy Strategy and a Tenancy Policy.
- 2.7 All tenancy policies that are developed must set out if fixed tenancies are to be offered and must have regard to each District's Tenancy Strategy. When using fixed term tenancies the following themes would need to be considered: -
- The relationship between fixed term tenancies and affordable rent
 - Use of starter tenancies, introductory and demoted tenancies
 - The Right to Buy/Right to Acquire and fixed term tenancies
 - Succession and fixed term tenancies
 - Transfers, mutual exchanges and fixed term tenancies
 - Ending a fixed term tenancy
 - Possibility of challenge.
- 2.8 Registered Providers are expected to conform to published guidance from the social housing regulator in respect of developing and publishing tenancy policies setting out the type of tenancies they will use and the circumstances therein. They will also be expected to follow

any good practice and ensure they are taking account of the local housing market and issues when developing their tenancy policies.

- 2.9 Most partner Registered Providers have already got a tenancy policy or interim policy in place in order to comply with the current Affordable Homes Programme and funding requirements. Registered Providers, therefore, need to review their own tenancy policies after the publication of the Tenancy Strategy to ensure that their policies do not conflict with any aspects of this document.

Aim of the Strategy

- 2.10 This Tenancy Strategy seeks to ensure that the changes in the Localism Act do not undermine and, wherever possible, enhance progress in meeting the housing priorities in the district which are:-

To build and maintain sustainable communities.
 To ensure the most efficient use of the district's housing stock to meet local need.
 To target resources effectively to households in greatest need.
 To prevent homelessness and fulfil our statutory duties when homelessness occurs.

- 2.11 The Strategy seeks to complement the Lancashire wide and sub-regional initiatives such as the Lancashire Homelessness Strategy prevention agenda, and the local policies that exist in relation to the Ideal Choice Homes Choice Based Lettings Scheme, and the current/future allocation policies of partner Registered Providers with housing stock in this district.
- 2.12 The Strategy also takes account of the private rented sector and to maximise the potential that exists to provide a wide range of housing offers locally.

3. Section 3 – The Lancaster district housing market

- 3.1 Social housing providers should, when determining their own tenancy policies, be informed by an understanding of the role of affordable housing within the Lancaster district, and the potential impact of their policies.
- 3.2 The Lancaster district contains a population of just under 143,000 residents, with a total housing stock of 66,500 and dwellings (Council Tax 2023). The mix and type of housing by tenure varies greatly across Lancaster district. Around 20% of owner-occupied properties are detached with only 6% being apartments and maisonettes and by contrast in the private rented sector 9% are detached and some 32% are apartments and maisonettes.
- 3.3 Of the total residential dwellings across the district, 69% are houses, 15% are apartments and maisonettes, 14% are bungalows and less than 2% are caravans or park homes. In relation to size, 11% of the existing dwelling stock have one bedroom/bedsit, 30% have two bedrooms, 40% have three bedrooms and 19% have four bedrooms.
- 3.4 As of 1st January 2024, there are 840 long term empty properties in Lancaster district, which equates to approximately 1% of the housing supply.
- 3.5 The Lancaster district has been recognised through previous regional strategic housing market assessments as having a relatively self-contained housing market. Some of the historic and current factors can be summarised in broad terms as:

- An isolated housing market
- High demand areas in Lancaster and rural areas out of reach for first time buyers and young families, which is becoming more widespread.
- A significant take up of private sector housing in Lancaster by the student population with increases in purpose-built student housing
- A lower than national average social housing provision
- Over supply of poor quality private rented stock in Morecambe; a legacy from the town’s heyday as a popular coastal resort.

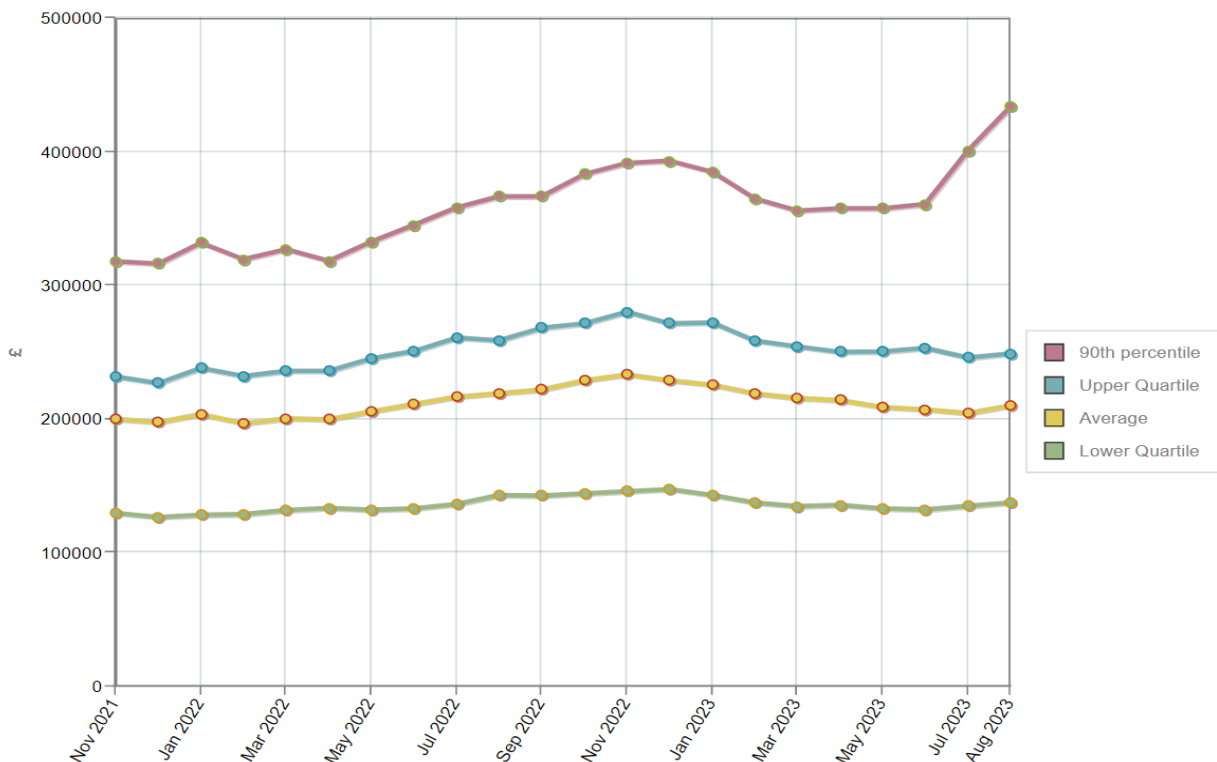
3.6 Significant progress has been made with the regeneration of Morecambe’s West End to improve housing quality and reduce the number of HMO’s resulting in a more balanced housing market and improve the housing conditions in the area although the profile and age of the existing housing remains challenging. There has been increased provision of student housing in the City Centre is hoped will create more availability and better access to local residents in finding suitable housing in the Lancaster south area. The council has also introduced an Article 4 Direction to better manage future provision of student housing in the form of HMOs in residential areas of Lancaster. The council itself wants to make a more direct contribution to the supply of social and affordable housing and has set out its key housing priorities in its adopted Homes Strategy 2020-2025.

Market Housing Sector

3.7 Housing affordability continues to be a key challenge in Lancaster district which has been significantly impacted by changes in market conditions during the Covid pandemic which resulted in reduced turnover of housing across all tenures along with an increase in average house prices in Lancaster district. Whilst the housing market has also been impacted by the increase in mortgage interest rates, no notable changes have materialised as yet.

Average House Prices – Lancaster District

Pricing levels over time



3.7 The current average house price in Lancaster district is £215,800 based on sales and valuations based over sales between March and August 2023. The lower quartile house price is £142,000 for the same period. Below details the average price by property size:-

- 1 bedroom flat £85,500
- 2 bedroom flat £118,500
- 2 bedroom house £169,800
- 3 bedroom house £214,200
- 4 bedroom house £320,100

Private Rented Sector

3.8 Estimates show that 90% of the private rented sector stock is situated in urban areas and 10% in rural areas. 45% of private rented accommodation is situated in Morecambe and Heysham, and 32% in Lancaster south, much of which will include student lets.

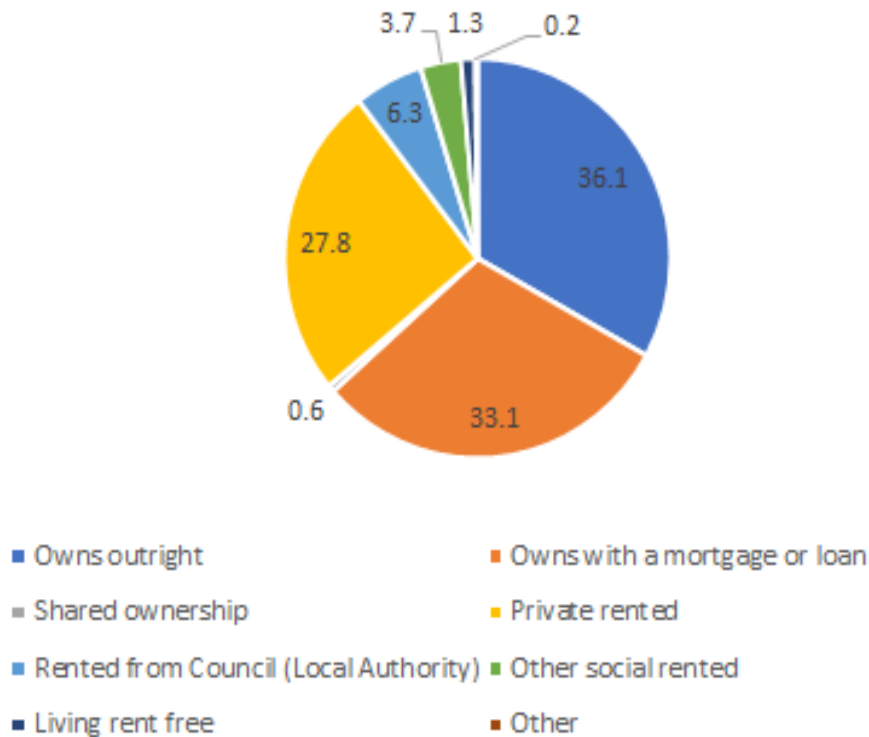
Analysis of weekly rent levels in Lancaster district by size

Property Size	1 bed	2 bed	3 bed	4 bed
LA rent				
Housing Association Rent	76	85	94	
Private - 30th Percentile	109	144	165	207
Private - 80% Median	101	124	146	226
Private - Median	126	155	183	282
Private - Upper Quartile	147	173	207	323

Social Housing Sector

3.9 The most up to date figure for social housing provision in Lancaster district shows that there are 6,172 units of social housing in Lancaster district. A further 365 homes are let as shared ownership. The Council as a stock retaining local authority owns 3642 dwellings (LAHS 2023) with 2530 dwellings (RSH published data 2001/2021) owned and managed by Registered Provider partners. These figures include all general needs accommodation and those designated for older people. In addition, there are 401 units of specialist supported housing for specific vulnerable groups. The figures highlight that the percentage of social and affordable housing in Lancaster is less than 10% of the existing housing provision, and well below the national average of 18%.

Tenure Split in the Lancaster District



4. Section 4 - Demand for Social Housing

- 4.1 There has been a marked increase in demand for social and affordable housing due to the impact of the Covid pandemic, the lack of turnover in housing across all tenures with the eviction ban significantly impacting on rented accommodation, and the lack of new supply as new dwelling completions sharply reduced.

Analysis of the Housing Register by Band

Band	Housing waiting list by band					Percentage of all applications
	Number on register Q4 (22/23)	Number on register Q3 (22/23)	Number on register Q2 (22/23)	Number on register Q1 (22/23)	Number on register Q4 (21/22)	
A	79	57	53	52	62	2.88
B	257	254	272	281	281	9.38
C	1103	1111	1059	1019	990	40.27
D	735	735	720	712	693	28.63
E	565	561	551	544	532	20.63
All bands	2739	2718	2655	2608	2558	

Analysis of Housing Register by Bedroom and Band Q4 2022/23

Bed Need	Number On Register					Total all bands		Transfers
		Band A	Band B	Band C	Band D	Band E	Number on waiting list	As % of waiting list
One bed	15	111	487	411	404	1428	52.14	241
Two beds	37	68	364	203	109	781	28.51	150
Three beds	19	42	204	82	41	388	14.17	80
Four beds	7	23	45	32	10	117	4.27	28
Five beds	0	7	3	5	1	16	0.58	4
Six beds +	1	6	0	2	0	9	0.33	3
Totals	79	257	1103	735	565	2739		506

- 4.2 The council has been proactively seeking to rehouse existing tenants under-occupying larger family properties and has created a new budget to incentivise this.

Mutual Exchanges

- 4.3 The Tenancy Standard 2024 sets out that social housing providers must offer a free mutual exchange service to eligible tenants and expects these to be publicised with the necessary support and information clearly provided.

Managing Homelessness and Rough Sleeping

- 4.4 The impact of the Covid pandemic, the cost-of-living crisis and constricted housing market has all impacted on homelessness presentations resulting in marked increases in the use of temporary accommodation. It is vitally important that given the overall level of social housing, the slower turnover and increased demand, that social housing is allocated to those in the most need. Registered Providers play a key role in both boosting housing supply and maximizing the nominations provided to the council. At least 50% of all vacancies must be offered to the council although some Registered Providers do provide more.

Temporary Accommodation Figures since May 2023

DATE	HOTEL/B&B		DISPERSED (FAMILIES)	TOTAL
	families	single		
25.05.23	18	3	5	26
27.07.23	16	9	13	38
30.08.23	28		13	41
28.09.23	17	4	13	34
26.10.23	17	2	10	29
29.11.23	9	7	9	25
03.01.24	10	11	12	33

- 4.5 As part of the Everyone In campaign, the council brought all rough sleepers and those of risk of rough sleeping indoors during the first lockdown and provided the necessary support for those individuals to be maintained in their accommodation. There were also positive developments in health provision for people who are rough sleeping including the provision of a new Parish Nurse role.
- 4.6 The council was successful in receiving capital and revenue funding through the Rough Sleeping Accommodation Programme and in partnership with Calico (Syncora) is providing 12 one-bedroom self-contained apartments as end stage supported housing for rough sleepers. The new project was handed over in March 2023.
- 4.7 Lancaster City Council received government funding to develop a Housing First model in the district for a small cohort of rough sleepers and a new Housing First Worker has now been appointed with the first placement made. The Housing First model will operate flexibly whether the accommodation is existing social, affordable or private rented accommodation.

5. Section 5 – Tenure and affordability

- 5.1 The main types of tenancy currently used by providers are as follows: -
- Introductory Tenancy - An introductory tenancy is a one-year 'trial' council tenancy. As long as the terms of the tenancy agreement are met, it will be automatically followed up with a secure tenancy.
 - Secure Tenancy – Normally granted by local authorities and Registered Providers before 1989, where the tenant can stay in the property for an unspecified period of time, and where the tenancy can only be brought to an end in certain circumstances (known as grounds for possession). Fair rents have applied prior to the Localism Act 2011, and tenants have other rights such as the right to exchange, the right of succession and the right to buy.
 - Demoted Tenancies – Where a court had granted an order to demote a secure tenancy or brings to an end an assured tenancy to be replaced by a demoted assured shorthold tenancy on the grounds of nuisance, annoyance or unlawful use of the property. A demoted tenant loses the previous rights they enjoyed as secure or assured tenants and the demoted tenancy normally lasts for one year unless the court extends this.
 - Assured Shorthold Tenancies (ASTs) – These are in common use in the private sector and by some Registered Providers with their market rented stock, where they do not own the freehold of the property, act as managing agents or where some other restriction applies. The key feature is that the tenancy lasts for a fixed term following which the landlord is entitled to possession of the property. Since the 27th February 1997, assured shorthold tenancies can be fixed term or periodic.
 - Assured Tenancies - These provide similar legal rights to ASTs, but the tenant can stay in the property for an unspecified period of time. There is no

automatic right for the landlord to repossess the property at the end of the tenancy.

- Starter tenancies – These are similar to an introductory tenancy but used by Registered Providers. It will generally last for up to 12 months before converting to an assured tenancy and is normally in the form of an AST. Some Registered Providers use starter tenancies routinely on all new lettings, or in certain circumstances, such as where a local lettings policy applies.
- Flexible Tenancies – These are tenancies granted by local authorities which are fixed for a specific period of not less than 2 years. The fixed term is usually 5 years. Flexible tenancies were introduced from 1 April 2012, to give local authorities the discretion not to offer a “lifetime” tenancy to new tenants. At the end of the fixed term, the authority may decide to grant another fixed term tenancy, offer a secure tenancy or not renew the tenancy
- Licences – These are normally used by Registered Providers for supported housing schemes, such as the Foyer, where there are shared facilities and where the accommodation is intended to be short term. There is limited security of tenure where a licence has been granted.
- Non-Secure Tenancies – These are granted as a periodic tenancy in accordance with Schedule 1 paragraph 4 of the Housing Act 1985 where a duty exists and the council is providing interim accommodation under the terms of the homelessness legislation.
- Demoted Tenancies – These are secure tenancies which can be downgraded to a demoted tenancy which is similar to an introductory tenancy with fewer rights and less protection. Tenants have the right to request an internal review of a decision to demote a secure tenancy. The court can demote a secure tenancy where the tenant or a member of their household and/or visitors have behaved in an anti-social manner or caused nuisance or used the home for illegal activities such as drug dealing. A demoted tenancy will normally last for 12 months after which period the tenancy will become secure again provided the terms of the tenancy agreement have not been broken and no application for possession has been made.
- Family Intervention Tenancies – these may be granted to existing tenants who have been evicted as a result of anti-social behaviour or could be at risk of eviction. They normally last between 6 and 12 months and include an agreement about behaviour expected and the involvement of support services.

Range of tenure types and rents that can be offered

	Permanent Tenancy	Fixed-term/temporary
Social Rent	Local authority - Secure Tenancy let at social rent	Local authority - Flexible Tenancy let at social rent or non-secure temporary tenancy under homelessness duties
	Registered Provider - Periodic Assured Tenancy let at social rent	Registered Provider - Fixed-term Assured Shorthold Tenancy let at social rent
Affordable Rent	Local authority - Secure Tenancy let at an affordable rent	Local authority - Flexible Tenancy let at an affordable rent or non-secure temporary tenancy under homelessness duties
	Registered Provider - Periodic Assured Tenancy let at an affordable rent	Registered Provider - Fixed-term Assured Shorthold Tenancy let at an affordable rent

Affordable Housing and Affordability

- 5.2 The term ‘affordable housing’ is used to describe housing provided below market cost, either through renting or by a mixture of renting and buying part of the property, commonly known as shared ownership or shared equity.
- 5.3 The National Planning Policy framework includes 3 types of affordable housing:
- a) Social rented housing which is owned by local authorities and private registered providers for which guideline target rents are determined through the national rent regimes.
 - b) Affordable rented housing which are subject to rent controls of no more than 80% of the local market rent (including service charges).
 - c) Intermediate housing, which includes shared ownership, shared equity, Rent to Buy schemes, and more recently First Homes, which is market housing sold at a minimum of a 30% discount to eligible first time buyers.

Affordable housing should:

- Meet the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local house prices.
- Include provision for the home to remain at an affordable price for future eligible households or, if these restrictions are lifted, for the subsidy to be recycled for alternative affordable housing provision.

Affordable Rents

- 5.4 Homes England (the main funding provider of affordable housing on behalf of Central Government) implemented a new framework to deliver the Affordable Homes Programme in 2011. Affordable rents were introduced to take account of the lower levels of grant funding available to Registered Providers allowing new rents to be set at up to 80% of market rents (the 80% has to include any service charge that applies). In practice, Registered Providers will check the market rents in a particular area and will also take account of the Local Housing Allowance that applies in the district when setting rents.
- 5.5 The introduction of the Affordable Homes Programme and reduced rates of capital grant funding means that Registered Providers are operating within a much more financially challenging environment, and in order to deliver the required number of new homes in the current programme, Registered Providers can, when properties become vacant, convert the tenancy to affordable rent, and in certain circumstances, may wish to dispose of some of their existing stock which is uneconomical to keep and maintain. This does not seem to be a widely adopted practice in Lancaster district, and the council advocates the importance of retaining as much social housing set at social rent levels as is practically possible.
- 5.6 Whilst Lancaster district was not previously identified as a local authority in high need of social rented dwellings using a government formula to assess this nationally, more recently there has been a relaxation of this, allowing all social housing providers to deliver new homes at social rents and claim an uplift in grant in order to do so. The council actively encourages Registered Providers to fully explore opportunities to bring forward social housing units utilising the new flexibilities provided through Homes England. Where affordable rents continue to be used, social housing providers should:-
- a) Wherever possible, set affordable rents that do not exceed the LHA rate and consult the council if they intend not to do so.
 - b) Affordable rented tenancies are let in the same way as social rented tenancies and are let as widely as possible through the Council's Ideal Choice Homes Choice Based Lettings Scheme but with clearer guidance on qualifying criteria and income requirements.
 - c) That mechanisms exist to provide new tenants with clear information about affordable rent at the commencement of the tenancy, and the impact of future changes such as the proposed welfare reforms, changes in entitlement and the introduction of Universal Credit.
 - d) Registered Providers do not attempt to convert tenancies to affordable rent on schemes where a section 106 agreement stipulates that social rents will apply.
 - e) Affordable rents should not be applied for supported housing without sufficient justification as the overall cost of accommodation including service charges is unlikely to be feasible or viable. Any proposed use of affordable rents in supported housing should be discussed and agreed with the council before implementing.
 - f) Registered Providers will notify Lancaster City Council in writing about any units they wish to dispose of, whether in respect of individual units, or as part of an overall disposal strategy, setting out the reasons for this. Lancaster City Council may not unreasonably withhold consent on the proviso that the Registered Provider has an active development programme and will ultimately be seeking to increase the existing social and affordable housing supply. The council will also expect that all other avenues are pursued before granted consent for disposals which including transferring existing social housing to another Registered Provider particularly relevant in the case of non-developing Registered Providers. The

council maintains that given the low level of social housing within this district and the unprecedented demand for social housing currently, that disposals will only be necessary in exceptional circumstances.

Affordable housing secured through Section 106 agreements

- 5.7 As part of the planning process, Lancaster City Council requires a percentage of on-site affordable housing on new market housing schemes that meet the threshold set out in our affordable housing policy. Where affordable housing is required, the Council will negotiate for a mix of rented and intermediate housing. Whilst social rented units remain the council's preference, given the changes since 2011 and the fact that affordable rented tenancies became the default for new rented homes, the council's own planning policies currently expect that new rented homes will be in the form of affordable rented tenancies. Any shift towards social rented homes would require a comprehensive review of affordable housing viability. As the council does intend to undertake a full review of its adopted Local Plan, this will include a refresh of its housing evidence and the council will be recommissioning a new study to re-test the percentage and tenure split required on new market housing schemes as part of the Local plan review. As part of this exercise, the council will also be assessing the impact of setting an LHA cap on rents.

The use of Flexible/Fixed Term Tenancies

- 5.8 The Government's rationale for introducing flexible tenancies was to ensure that social housing is provided to those who need it the most.
- 5.9 As part of reviewing the Tenancy Strategy, Lancaster City Council has again considered the potential benefits of adopting flexible tenancies and our measured response is that we advocate a cautious approach to the use of flexible tenancies at this time. However, it may be something that the council will keep under review given the scale of demand for social housing. In reviewing this Strategy the council has also taken account of Registered Provider activities within the partnership, and there is no evidence of fixed term tenancies being used by existing partners
- 5.10 Whilst, we do acknowledge that under-occupation of the social housing sector is something that all social housing providers need to tackle in this district, the changes being brought about through the welfare reforms have already some tenants to move into smaller accommodation, and there are other ways in which tenants can be supported into moving to alternative accommodation without the need to routinely administer flexible tenancies.
- 5.11 Although there is significant demand for social housing, and lower than average social housing provision in this district, in instances where fixed term tenancies are brought to an end, the needs of that household may still need to be met through social housing, so the use of flexible tenancies will not routinely remove that need and provide more capacity within social housing. The benefits of providing security of tenure for many vulnerable households should support the creation of sustainable communities within the district and limited further polarisation within the social housing sector.
- 5.12 Lancaster City Council recognises that it is important to tackle poor tenancy conduct and anti-social behaviour in social housing. For this reason, the Council already grants introductory tenancies, and can grant family intervention tenancies. Registered Providers can already offer starter tenancies for some or all of their new lettings should they chose to for the better management of their housing stock. There is also the potential administrative and financial burden that could be created by social housing providers creating flexible/fixed-term tenancies through necessary monitoring, issuing of notices,

undertaking reviews, appeals and possible legal challenges as well as costs associated with re-lets and voids.

- 5.13 Therefore, Lancaster City Council does not currently see the need for the systematic use of flexible tenancies in this district. If the council decides to use flexible tenancies in the future in the interests of better managing its housing stock and assets it would have to revise its Strategy to reflect this change in policy, and set out the principles it will apply, including the circumstances where flexible tenancies will be granted; the length of the fixed term that will be offered; and the policy for granting further tenancies on expiry.
- 5.14 Where Registered Providers are considering the use of fixed term tenancies, that they have considered the following factors:-
- a) The fundamental need to build and maintain sustainable communities.
 - b) The aim of ensuring the most efficient use of Lancaster district's social housing stock to meet local housing need, and target resources effectively at those households in greatest need.
 - c) Offering a minimum term of 5 years unless exceptional circumstances justify a shorter tenancy period which should be no less than 2 years.
 - d) The needs of vulnerable groups such as older people, people with learning disabilities, mental ill health or physical disabilities where a periodic tenancy is far more conducive to their health and wellbeing, and the accommodation is longer term supported housing.
- 5.15 For Registered Providers, the use of fixed-term tenancies is only considered appropriate for starter tenancies or in other limited circumstances such as market lettings or for special management reasons. Licences are only considered appropriate for short term supported or shared housing.
- 5.16 Where Lancaster City Council intend to use flexible tenancies on a fixed term, their tenancy policy should detail the circumstances in which they may or may not grant another tenancy on the expiry of the fixed term including their approach on taking into account the needs of households who are vulnerable by reason of age, disability or illness and households with children.
- 5.17 Where another tenancy is not being offered, reasonable advice and assistance should be provided to the tenant by the social housing provider to help them find alternative housing at least 6 months prior to the end of the tenancy. Tenants should be assisted in finding accommodation that is suitable to the household needs and in doing this social housing providers should have regard to the test of suitability contained within the statutory code of guidance on homelessness.
- 5.18 In deciding whether to grant a further tenancy at the end of a fixed term, social housing providers should comply with the requirement to grant tenancies which are compatible with the purpose of the accommodation, the needs of individual households, the sustainability of the community and the efficient use of their housing stock.
- 5.19 Social housing providers should signpost and work with the council's Housing Options Service as appropriate, and so far as possible, should work in partnership with other landlords who may be able to meet the needs of any tenant whose fixed term tenancy is being brought to an end.

Reviews

- 5.20 All social housing providers should include details in their tenancy policy of the mechanisms for reviews of decisions and that the review process following any directions issues by the regulator and to achieve consistency amongst social housing providers.
- 5.21 All review processes should be clear and transparent and afford a full opportunity to understand any decisions made by the social housing provider and provides a realistic timescale for the request for a review.
- 5.22 Each Registered Provider will structure its own review process in line with relevant guidance. It is anticipated however that the process will;-
- a) Where the Registered Provider offers a fixed term tenancy, a right to request a review within 21 days; where the proposed length of the fixed term is shorter than five years (in general needs housing following any probationary period).
 - b) The way in which a tenant or prospective tenant may appeal against or complain about the type of tenancy offered, and against a decision not to grant another tenancy on the expiry of the fixed term.
 - c) Ensure that any review request is carried out and decisions notified before the expiry of any notices served.
 - d) Provide notification in writing of the outcome and reasons for decisions which are clear and provide a full explanation.
 - e) Set out the statutory provisions for reviewing possession proceedings.

Tenancy Assignments

- 5.21 Assignments are where tenancies can be legally transferred from one person to another with the consent of the landlord. Social Housing Providers should set out in their tenancy policies in what circumstances assignments may be permitted. Most commonly, assignments take place by way of a mutual exchange.

Mutual Exchanges

- 5.22 Social housing providers are encouraged to make best use of the council's Ideal Choice Homes CBL and the HomeSwapper portal as a way of maximising opportunities for social housing tenants to find suitable mutual exchanges to increase social mobility, provide opportunities for tenants to take up employment and to allow tenants to improve their housing circumstances and move into more suitable accommodation. Where mutual exchange requests are received, the social housing provider must make it clear to incoming tenants from the outset, the type of tenancy they will be granted once they exchange properties, and the rent charged applicable to the property they are moving to.

Successions

- 5.23 Succession is a statutory right for a tenancy to be transferred to somebody else when the tenant dies. Social housing providers should ensure their tenancy agreements and their published tenancy policy set out the circumstances in which succession rights apply, depending upon the type of tenancy granted, the date it was granted, and whether the landlord is a Registered Provider or the council, as different succession rights apply. Where there is no statutory right of succession, the council would expect social housing providers to provide an appropriate level of assistance to anyone left in the property and would liaise with the relevant support agencies including the council's Housing Options Team.

Affordability and Tenancy sustainment

- 5.24 All social housing providers should have appropriate mechanisms to collect information about household income at housing application stage. Where a household is eligible for an offer of social housing, the housing provider should undertake a further affordability check to ensure that the household has an income which is sufficient to maintain their tenancy and if necessary, provide advice assistance and signposting on income maximisation. In recent years, given the sharp increase in energy costs, new tenants should be provided with appropriate advice and guidance on how to operate heating and hot water systems to combat fuel poverty.
- 5.25 Social housing providers should provide very clear information about the conditions of tenancy that apply for every letting and explain clearly the obligations and responsibilities which fall upon both the tenant and landlord. Social housing providers should strive to have appropriate management systems in place to respond to and provide timely interventions to ensure that tenants maintain their tenancies successfully and provide sufficient support. All avenues to preventing evictions should be exhausted before possession proceedings are deemed necessary and the council would expect that every social housing provider will have clear policies and procedures in place.

Joint Tenancies and Relationship Breakdown

- 5.26 Social housing providers should provide clear processes and procedures in place that set out how they will deal with requests from tenants to alter sole and joint tenancies. This also extends to relationship breakdown and ensuring that appropriate information is given to joint tenants and where appropriate, they should be signposted to appropriate agencies so they fully understand the implications of relinquishing their interest in a tenancy.

Tenancy Fraud

- 5.27 Social Housing Providers should have processes and policies in place to make the best use of social housing and ensure properties continue to be occupied by those who are entitled to live there by undertaking verification and identify checks at housing application stage and at tenancy sign up stage. Tenancy fraud can take the form of unauthorised sub-letting, non-occupation of the property, fraudulently obtaining social housing, wrongly claiming succession of the tenancy, unauthorised exchange or assignment and exercising the Right to Buy/Acquire Fraud. Social Housing Providers should investigate any report of tenancy fraud. Possession proceedings and criminal prosecutions are the legal remedies available and can result in a fine, recovery of profits made from the fraud, imprisonment and loss of tenancy. Local authorities also have powers to compel specified organisations to provide them with information for the purpose of preventing, detecting and securing evidence for tenancy fraud.

6. Section 6 – Enhanced Housing Options

- 6.1 Given the shortage of social housing in the Lancaster district, it is imperative that all social housing providers work together to meet housing need and respond to changes in housing markets. Lancaster City Council has strengthened its Housing Options Service by improving access to the social rented stock through its Choice Based Lettings Scheme - Ideal Choice Homes, which provides a more simplified means of assessing housing need in a clear and transparent way.
- 6.2 Lancaster City Council developed a nomination agreement with all partner Registered Providers who are active in this district, which was reviewed when the Ideal Choice Homes

– Choice Based Lettings Scheme was implemented in October 2011. The council expects full participation of CBL from all social housing providers. Some partner Registered Providers have completely embraced this and are providing 100% nomination rights through CBL, other partners are considering increasing their nomination percentages, and other partners do not wish to commit beyond 50% nomination rights. We do understand that some Registered Providers have legitimate concerns about fully committing 100% nominations through CBL as they believe it could restrict their ability to properly manage their own stock and impact on voids and relet performance. However, the arrangements can be flexible enough to overcome any issues identified. Furthermore, there is more likelihood of the council being able to support and facilitate reciprocal arrangements between social housing providers to make the best use of the social housing vacancies that become available, which will be more acute when the welfare reforms around under-occupancy apply. There are also many benefits to customers having one single point of access for all social housing vacancies operated in a clear and transparent way.

- 6.3 In 2023, the council approved the implementation of a new Registered Provider Framework to formalise the existing arrangements by ensuring that new and existing entrants fully embrace the council's priorities, strategies and objectives and evidence their suitability to be a suitable partner. The Registered Provider Framework is now live and will be reviewed periodically.
- 6.4 The council has broadened its homeless prevention role and has employed two dedicated homeless prevention officers to provide detailed assessments, linking in with specialist services, provide timely interventions to prevent homelessness occurring and assist households where no statutory rehousing duty applies. Alongside this several specialist roles have been created in the Housing Options Service - a Temporary Accommodation Officer, a Domestic Abuse Housing Options Officer, and Calico are funded to employ a Private Landlord Liaison Officer, assisting to source accommodation and build relationships with private landlords. The council also provides assistance to homeowners who are in mortgage arrears and funds a full-time homeless debt advisor employed by North Lancashire Citizens Advice Bureau.
- 6.5 Given the limited availability of social housing vacancies, Lancaster City Council work in partnership with Calico Housing Group to deliver our Accommodation Finding Service, which works with local private landlords to source private rented accommodation for single people and families who the council have a duty to house and are homeless or at risk of homelessness. The AFS provides support to the families to move, and ensure they are settled into their new home and they provide floating support for people who have been rough sleeping to assist them in sustaining tenancies including a new Housing First offer. The council is part of a scheme called Help2Rent, which provides landlords with private accommodation free insurance packages for homeless households coming through the Housing Options Service, which is an incentive for private landlords to work with the council to relieve homelessness. Going forward, the council intends to strengthen and maximise access to the private rented sector in Lancaster district in order to meet the widest possible housing need.

Local lettings Policies

- 6.6 Some local lettings policies already apply within the Lancaster District, which apply to certain types of properties or in certain areas. Lancaster City Council generally supports the appropriate use of local lettings policies as a means of creating sustainable communities providing the policies do not severely limit or restrict opportunities to rehouse those in the greatest need or the most vulnerable. Social housing providers need to ensure that they provide clear information and guidance on how and when local lettings policies will apply, what processes are in place to determine the suitability of applicants and undertaking reviews.

Armed Forces

- 6.7 Social housing providers are requested to have regard to the needs of armed forces personnel when framing their allocation policies and refer to the appropriate guidance to ensure that this group are not disadvantaged. Homes England has already determined that armed forces personnel should be awarded the highest priority for shared ownership schemes and other low-cost home ownership initiatives. Lancaster City Council's Allocation Policy makes specific provision for armed forces personnel and spouses of armed forces personnel in relation to satisfying local connection as well as ensuring reasonable preference is given in relation to banding. Furthermore, priority is given to allocations at Westfield Memorial Village, managed by Guinness Partnership, which is accommodation designated for armed forces personnel. In the last year, the city council and Guinness partnership have been exploring options to increase the number of lettings for armed forces personnel as part of the ongoing commitment to the armed forces covenant.

Exclusions

- 6.8 All social housing providers can determine their own allocation policies which are framed around housing need and contained in the reasonable preference categories, defined in the Code of Guidance published in June 2012. Social housing providers can also determine in what circumstances they can exclude or reject applicants from the Housing Register. Where these apply, social housing providers must publish details of the circumstances they will exclude or reject housing applicants; they should issue written decisions outlining the reasons for it, and should give applicants the right to request a review of the decision.

7. Section 7 – Monitoring and reviewing the Tenancy Strategy

- 7.1 Lancaster City Council will continue to maintain its Registered Provider Framework and Strategic Partnership which meets quarterly and focuses on the development of housing and planning policies and strategies, the provision of affordable housing and tenancy management issues within the district. Registered Provider partners will assist the council in its role of monitoring and reviewing the effectiveness of this Strategy, with a particular focus on changes in legislative and regulatory requirements, future changes in allocation policies and processes in ensuring that all social housing will continue to be allocated to those in the greatest need, changing market conditions, tackling homelessness and assisting the council in meeting its statutory duties.